

Contents:

Focus on Library Funding

A Message from the State Librarian	2
Commission Report: Speak Out for More Funding	3
PR Projects	4
The Art of the Ask	5
New MSL Commissioner Ron Moody	6
Money for Your Library	7
Free Is the Best Price	10

For more details:

<http://msl.mt.gov/calendar.html>



Date — Event

April 10-16, 2005	– National Library Week
April 12, 2005	– National Library Workers Day
April 23, 2005	– MSL Commission Meeting in Billings
April 23-26, 2005	– MLA Conference in Billings
May 3-4, 2005	– National Library Legislative Day, Washington D.C.
June 8, 2005	– MSL Commission in Helena

For more details:

<http://msl.mt.gov/calendar.html>

What If We Ran Libraries Like NPR?

Author: Steve Coffman, Publisher: WebJunction Date Published: December 30, 2003

There is no doubt that these are bad times for libraries. None of us have missed the deluge of stories about budget cuts, branch closings, slashed book budgets, reduced hours, and layoffs that have inundated us over the past few years. Unfortunately, times are bad for everyone, and, with over 90% of the average public library budget coming directly out of local and state taxes, any dollars restored to library budgets mean deeper cuts for police, fire, sanitation, children's services, the arts, museums, parks, and other services our patrons value at least as much as ours. No matter how effectively we make our case, our elected officials find themselves caught between a rock and a hard place and will likely choose compromise budgets that 'share the pain' and leave no one satisfied, least of all libraries and other "non-essential" services.

Even if we do manage to weather this latest round of fiscal hardships, it's not likely we will be returning to a land of library milk and honey. With luck, we might see our budgets restored to the level of genteel poverty that passes for 'full' library funding even in the best of times. I've worked in the profession since 1985 and gone through some really rough spells – times when we couldn't afford to buy a new book – and a lot of periods when we just got by. But in all my years as a librarian, I've never known a time when libraries truly got the level of funding we needed to do our jobs right. After all, an institution that can only afford to pay professional staff with post-graduate degrees an average of \$38,370 per year (*Occupational Outlook Handbook*), or that defines 'good' service as staying open from 1-5 p.m. on Sundays, has clearly got some big problems with money. Much bigger problems than a few rallies or letters to the editor can solve.

Does it have to be this way? A review of funding strategies successfully adopted by museums, zoos, science and nature centers, public broadcasting, and other important cultural institutions in our communities suggests that public libraries have failed to tap significant sources of non-tax funding – and that the word 'public' does not necessarily have to be synonymous with dowdy, penurious, and poverty-stricken.

Let's look at just one example:

The stylish studios and offices of public radio station KUOW are located in the University District of Seattle, just a few blocks from one of the branches closed by Seattle Public Library budget cuts for two weeks in 2002. Like the library, KUOW provides a public service to help educate, inform, and entertain the people of Seattle. Also like the library, all the station's programs are available entirely free of charge to anybody who cares to tune in. And, like the library, KUOW and public radio in general were once funded almost entirely with public tax dollars.

But all that changed. In the early 1980's under Reagan and again in the mid 90's during Newt Gingrich's tenure, conservatives made serious threats to zero-out tax funding for public broadcasting because of its perceived liberal bias and because conservatives didn't think the government had any business being in broadcasting in the first place. Ultimately, neither challenge succeeded, but they did put the fear of God, or at least of the Federal Government, into the hearts of public broadcasters. They realized that if public radio was going to survive and thrive, they needed to find different ways to fund it - ways that did not rely exclusively on tax dollars or the whims of the party in charge.

Libraries Like NPR continued on page 8



Darlene Staffeldt.

A Message from the State Librarian

Libraries: One of Montana's Most Valuable Resources

On a national level, libraries now face their deepest cuts in history. Some libraries have been forced to close their doors, and many others have reduced services and hours of operation. While these cuts are happening in every type of city, big and small, and in every part of the country, one thing remains constant. A reduction in library services most greatly affects those people and communities that have the least resources available to them. The people who depend on us most for Internet access, literacy and computer classes, job seeking information, and free access to all types of information are left out in the cold.

In Montana, these cuts in services, hours, and access to information mean that some of our most rural and economically disadvantaged patrons now have even fewer opportunities available to them. A good library helps to level the playing field for these folks, by providing free and easy access to information and information resources. However, we cannot accomplish this with closed doors, reduced services, and limited resources.

In a state like Montana, a large portion of our population lives in remote areas and a large portion of our population has no access to the Internet except at their local libraries. These folks have limited access to books, newspapers, and reliable health care information resources. Additionally, many Montanans depend on the library to serve as an education center, as well as a community center.

In a state like Montana, it is absolutely vital to have excellent statewide library resources that help Montanans learn about new and exciting technologies that will improve their lives. At their local libraries, Montanans discover the latest in cancer research that will make their treatment more successful, they find the information they need to launch their own small business, or they even just get the latest bestseller or DVD to relax with over a long weekend. We provide opportunity for people to change their lives for the better in many ways – large and small. But none of that matters when it comes to funding resources.

Because library funding often comes from city and county taxes, we now face cuts because the nation's economy is suffering, which results in fewer taxes being collected at the local level. Our library budgets often come from the same coffers as police and fire protection, sanitation services, and local education. It's a hard argument to make that the library is more important than any of these services, and as a result, our budgets, along with everyone else's, suffer.

However, libraries, as we know, are as essential to a healthy community as is adequate police and fire protection and a sound education system. Libraries should be considered a valuable necessity in all of our communities – large or small, rich or poor. Even people that do not use the library benefit from our services because they are surrounded by people that utilize the lifelong learning opportunities that our libraries offer. As Eleanor Jo Rodger argues in her article "Value and Vision" (*American Libraries*, November 1, 2002), "Libraries are publicly funded because they support lifelong learning for all people. The benefits of continuous learning extend, in theory, to entire communities. If the information contained in books, videos, and the Web was available only to those who could pay for it, our communities would be poorer."

That's not to say that people who fund our libraries don't love libraries. They do. In fact, study after study indicates that even people who do not use libraries still believe they are a valuable community resource. In Montana, we continue to have successful library levy votes, so we know that Montanans, in many of our communities, fully support their libraries. We need to continue to work hard to demonstrate our real value to the citizens that support us with their tax dollars, and we also need to demonstrate our real value to the decision makers that decide where to allocate those tax dollars.

Instead of sitting back and waiting for our budgets to be reduced further, perhaps it's time for us to think about alternative funding for our libraries. Most Montana libraries have Friends groups and a variety of fundraisers, from dinners to silent auctions to book sales. But maybe it's time to think about raising money for libraries as if it's our job. Steve Coffman's article, "What If We Ran Libraries like NPR?" is an enlightening look at the type of fund raising that has made NPR a well-oiled machine. I realize that we are already stretched thin, but without a working budget, we could have lots of time on our hands.

Libraries also need to stop preaching to the choir and start demonstrating their real value to decision makers. If we continue to market ourselves and what a good job we do to our most loyal patrons, what are we really achieving? We need to be able to talk not just about the services we offer, but what differences in our patrons' lives those services make. We need to tell our stories to our legislators, our mayors, our county commissioners. Invite them to lunch. Write them letters. Call them up and ask them to come to the library. Get them involved with what you are trying to accomplish. There are

State Librarian continued on page 3

Commission Report:

Speak Out for More Funding! *By Gail Staffanson*


When I think of library funding, I realize the need to educate the taxpaying public as to what libraries do and how they have changed to meet the needs of their patrons in the 21st century. All of the libraries in Montana, whether they are public, school or even the State Library, have one clear objective – to educate our citizens. However, that goal often gets lost in the midst of discussions about library issues. As librarians, we need to focus on public relations and sharing our story with Montanans. Our taxpayers need to know how their money is being spent, and what services are being provided with those tax dollars.

Our school libraries help to instill a love of reading in our youngest citizens – Montana's children. As they grow older, the librarian teaches students how to find and use the books in our libraries – a skill that is absolutely vital to their future successes as students, and in the long term, as contributing members of our society.

School libraries, like all public school funding, are funded with direct state education dollars and local taxes. Unfortunately, as many of you realize, when budgets are cut, the school library is usually the first program to be downsized. School libraries are supposed to be staffed by a trained librarian. Depending on enrollment, the boards can decide to cut this position at their discretion. Multiple studies have affirmed that there is a clear link between school library media programs, staffed by a qualified and experienced school library media specialist, and student academic achievement. Although the Office of Public Instruction will inform the school district if it does not meet the standards, nothing else is done. We need to inform the public how important the school library is, and that a good school library curriculum will actually improve achievement

State Librarian *continued from page 2*

several good tips throughout the newsletter that will help you take the first step in this vital component of librarianship.

We are lucky to be citizens of a place that values learning and equity, and we are even luckier as librarians to be guardians of those values. There is no question that we could accomplish more and provide more if we had access to more funds. The question remains, however, from where will that money come? We all need to work together to ensure that Montana's libraries continue to be funded, and that someday, we are all funded at the levels that enable us to serve our patrons in the manner they deserve. 




Gail Staffanson

Our public libraries are also taking a hit when it comes to funding. For example, in Sidney, the public library recently went from being funded by the city to the county. This move has raised a whole string of problems for the library board as well as for the county commissioners. Now, only the library board can make decisions for the library, in spite of the fact that funding now comes through the county budget.

Although public libraries can levy their own mills to support the library, it makes more fiscal sense to streamline their operations with those of the county. As a result of these problems, the public library now needs to focus a lot of effort on public relations. The library needs to share its story, and demonstrate its value to the public by sharing information about its programs and services, such as the wide range of print materials, computer resources and instruction, literacy outreach, storyhours for the county's youngest citizens, and the list goes on. While the Sidney Public Library has an immediate need to increase its public relations efforts due to this major funding overhaul, it is not alone in its need to increase its marketing efforts. Public libraries around the state need to speak loudly and clearly about their value to all Montanans and to our communities.

When I was appointed as a State Library Commissioner, I was unaware of all that the State Library provides the entire state of Montana. The State Library is composed of many different programs including NRIS, the Talking Book Library, and Library Development. Another component of NRIS is the Natural Heritage Program, a research program funded almost exclusively with grant monies. The State Library is also a great support system to all libraries throughout the state, providing help and funding for federations, and planning workshops to educate librarians and trustees.

All of the State Library programs are becoming well known as a result of public relations efforts by the State Library staff. Most of the State Library's funding comes from the state of Montana, although some federal monies are also used. Hopefully, with additional public relations and marketing efforts, our legislators will realize the value of the State Library to all Montanans, and might fund the Library at a higher level.

In conclusion, I would like to remind all of you to make your voices heard! While you all have much on your plate, one of your most vital roles is to promote our libraries so that we receive the funding we deserve. 

Most op-ed pages require submissions to be limited to around 750 words. Please contact your newspaper in advance of submitting an op-ed draft to find out the word limit, the preferred method of submission [email or fax are most frequent] and a name of an individual whom you can contact by phone both to ensure your submission arrived and to edit it, should it be accepted.

Healthy Democracy Depends on Vital Libraries

By [Name of Author]

Only free countries have free libraries. In our faltering economy, with the fiscal health of every level of government in jeopardy, how will we be able to continue to support the right to free knowledge that is so vital to the health of our libraries and the people that our libraries serve?

Unfortunately, this is neither a theoretical nor hypothetical question. Libraries in almost every state are being impacted by budget cuts greater than at any time – including the Great Depression. The Salinas Public Library in California is slated to close this year. Library branches in Pennsylvania and New York have been closed. Here in Montana, libraries have cut staff and slashed operating hours – reducing access to a world of free resources and the expert assistance of library staff.

And yet the great irony is that as the economy worsens, libraries are more heavily used. That is certainly true here in (NAME OF COMMUNITY.) Since [NAME A MONTH, SAY HOW YOUR NUMBERS HAVE CHANGED] visits have increased [???] percent and circulation is up [???] percent, but we have had to [cut programs, cut hours, cut staff??? ADD YOUR STORY HERE. Has your library been giving more and better service with the same or fewer resources?]

Everyone loves libraries, but libraries can't live on love alone. Whether it's for story hours, job information for the unemployed, vital health care facts, Internet access, market research for starting or supporting a business, finding scholarships, planning travel, becoming a citizen, or simply curling up with a good novel, each library in America serves a wide range of needs in the information age.

Far too often, funding priorities for libraries have not reflected their demonstrated value to the

communities they serve. Despite this, there are few Americans who don't clearly understand the value provided by their public, school, and university libraries.

If people speak out, they can save their libraries. Libraries are among the most effective of all public services, serving more than 2/3 of the public with less than 2 percent of all tax dollars. What's more, libraries are an important part of the solution to the problems facing us – from unemployment to staying up to date on changing world events.

Libraries are a public good. Libraries enrich both the 67% of the public that regularly uses them each year, as well as the rest of the community that benefits from what those users have learned.

What, then, are our options?

The beauty and strength of America's libraries is that they are distinctive institutions that meet the unique needs of the communities they serve. Our [NAME OF YOUR LIBRARY] collection was selected and organized to meet our community needs. [Insert some specifics here about programming, your collection, or other ways your library specifically meets your community's needs.]

To ensure our libraries' futures, some communities will try bond issues. Others will seek the right blend of book sales and corporate philanthropy. Still others will apply for support at various levels of government. At the [NAME OF LIBRARY], we are [Insert information about your own fund raising efforts or tell a specific story of how you "get by."] We, as trustees, or friends of the [NAME OF LIBRARY] are confident that our community won't sit back and allow our library(ies) to eliminate or reduce services, programming, and resources.

Instead, we trust that the community will join us in demanding that its library(ies) get the funding that will enable it to continue to deliver the library services everyone needs to live, work, relax, and govern effectively!

The current economic climate is challenging for libraries. But based on the increased demand for what we offer, we expect no less than renewed public commitment and support, starting right here in [Name of City].

Name of Author and Title of library Board Member
for identification, plus contact phone number. 



The Art of the Ask

By: Sara Groves, Communications/Marketing Coordinator



The old saying, "Ask and ye shall receive" is especially true when it comes to fundraising. Every once in a great while, money is given to your library completely out of the blue. But as all professional fundraisers will tell you, the biggest gifts normally come because you have spent time cultivating a potential donor by selling the value of your services and programs, and then asking for a specific amount of money.

The following information is not meant as a thorough fundraising guide. It is meant to be an introduction to the process of establishing more funding for your library in the private sector. This guide can be used by library directors, board members, trustees – anyone that might ask for money on behalf of the library. If you have further questions, please do not hesitate to contact Sara Groves at (406) 444-5357 or sgroves@mt.gov.

What Motivates a Donor to Give?

Understanding what motivates a donor to give can provide the key to first-time gifts and help in moving smaller gifts to major contributions. All too often we simply ask for the gift without attempting to understand the true care or passion of the prospect with whom we are meeting. Motivations are often unrecognized by the donor. Four reasons donors are motivated to give:

- 👤 **Ego** – based on the individual's need for self-importance, status, or prestige. Donors motivated by their egos often demand more attention and are driven by what a gift can do to further "their own self-importance" (i.e. naming opportunities, etc.). Knowing the degree to which ego is driving a gift can help shape the solicitation.
- 👤 **Economic** – gifts are viewed in light of what the payback is or might be to the community. Businesses and community leaders often focus on the economic impact of their giving. Factors like "number of employees" and "payroll" affect the degree to which an individual or business may contribute.
- 👤 **Responsibility** – Contributions are based on a sense of duty or moral obligation. Individuals who have used the services of your library may contribute out of a sense of obligation.
- 👤 **Altruism** – The donor is motivated by a genuine desire to "make a difference" at improving the quality of life for others. This motivation is borne out of love and compassion. Clearly, this is the most noble form of giving. It is often this individual who makes the most significant gift.

Setting the Appointment

- 🕒 Have two alternative dates in mind before you pick up the phone.
- 🕒 Call and ask to speak with your prospect. Do not arrange an appointment through anyone else.
- 🕒 Convey a group effort. "I have been asked to see you on behalf of the such-and-such Library."
- 🕒 Ask when, not if, you can meet. Set a date within a few days of your call.
- 🕒 Be brief. If questioned, say you have things to show/explain. Do not make your request for money over the phone! If your prospect persists in asking why you wish to meet, say something like, "This project is so important to each and every one of us that I would love to explain it in person. When might I come by?"

Preparing for Your Visit

- 🌀 Believe in yourself.
- 🌀 Believe in the project.
- 🌀 Do your homework and know the library's history, the reason for increased funding needs, and the uses to which the money will be dedicated.
- 🌀 Make your own contribution first.
- 🌀 Know your prospect. To what have they donated in your community? How do they use the library?
- 🌀 Tailor your presentation to your prospect's interests. Think about how his/her personal interests might relate specifically to the project.
- 🌀 Have two or three specific projects or giving opportunities in mind.
- 🌀 Arrange to take someone with you as a partner. Decide in advance who will do the "ask."

The In-Person Visit

- 👤 Be relaxed. Remember, you are calling on behalf of your library; you are not asking for a gift for yourself.
- 👤 Avoid the appearance of haste. Be prepared to spend some time and possibly make more than one visit for your prospect's answer.
- 👤 Establish rapport, but get to the heart of the matter at once. "I am working to raise money for the library's such and such program, which is vital to our community because..."

The Art of the Ask continued on page 6

- 👤 Explain the need for fundraising, and why the community's help is necessary.
- 👤 Make your approach personal and positive. Show how the project is in the prospect's self-interest. This might have to do with education or literacy or with civic pride and community responsibility.
- 👤 To help your prospect say "yes," be aware that many people are attracted to the idea of a family gift or one that will commemorate a loved one or recognize their company's sense of community involvement.
- 👤 Understand before you make the ask what might motivate the donor to make a gift.

Asking for the Contribution and Closing the Deal

- 💡 Confirm your prospect's good judgment of his investment by sharing more about the value of the library in your community.
- 💡 Suggest a specific amount or range of giving to the donor. "To help reach our goal, I hope you will

consider a gift of \$XXXX per year for each of the next three years."

- 💡 "Could I call again in a week for your answer?" Suggest a date you will call.

- 💡 Ask the donor whether his or her gift might be matched by a corporate matching gift program. These programs can double or even triple the amount of the contribution.

- 💡 Don't forget to say thank you in person and with a personal note a few days later.

Select Your Words Thoughtfully

- 🔔 Instead of "contribute," substitute the word "invest."

- 🔔 Instead of asking for a gift, extend an invitation, "I would like to invite you..."

- 🔔 Rather than saying, "Your gift makes a difference," demonstrate **how** – "Gifts such as yours will allow us to..." 📦



New MSL Commissioner Ron Moody

Ron Moody, 58, of Lewistown is a new member of the Montana State Library Commission appointed by Gov. Brian Schweitzer.

"I know I'm stepping into a difficult task," Ron said. "Both for the high standards set by

my predecessors and for the challenges ahead.

"I hope I can make a contribution to bringing more and better library services to people regardless of where they live in Montana. I believe we should be happy with nothing less than the best literature and best information access for our communities regardless of what is happening to local budgets and tax bases.

"I know that is easy said and hard to do," Ron continued. "But the reward to our society of any success we achieve is worth the effort."

Ron explains his appreciation for libraries stems from his own childhood. A native of Memphis, Tennessee he said, "I really grew up in the Memphis Public Library. My mother took me downtown to the Cossett Library when I was six years old to get my first library card. I kept it in constant use until we moved away when I was 14."

"I'm a compulsive shelf browser rather than a list follower. Because of that I've missed some of the more

famous titles agreed upon by well-read people. But I've found some gems that few people have read."

Ron is a member of the 'Friends of the Lewistown Public Library.'

Ron lives in a house filled with books. His collection is centered on literature of hunting, fishing, and conservation. Beyond fiction for pleasure, his reading interests span current affairs, history, and politics.

Prior to this appointment Ron has been most active in public advocacy for wildlife conservation, hunting ethics, and natural resource management. He currently serves as a member of the Central Montana Resource Advisory Council of the Bureau of Land Management.

In addition, he is a vice president of the Montana Wildlife Federation, the oldest and largest sportsmans' organization in the state. Ron also serves on the state steering committee for the FWP Hunter Education program. He has been a volunteer teacher of Hunter Ed in Montana for 15 years.

He graduated from the University of Mississippi in 1971 with a B.A. in Journalism and Political Science. His initial career was in community journalism holding reporter and editor positions with several newspapers in Mississippi, Colorado and Memphis. He has worked as a professional photographer and freelance writer. He was employed by FedEx prior to retiring in 2002. 📦



By: Sue Jackson, Continuing Education Consultant

Imagine if you will, what your library could offer with more professional staff. Help for students to find information they need on the Internet for a class assignment? A chance to set up that special program for the tribal community you've been too swamped to make happen? Readers' advisory services to seniors and story times for kids in day care? The list of possibilities of what one more trained, full-time body could do for your library is probably endless.

Well, Montana State Library is in the happy position of having \$60,000 available for Montana's public, school (K-12), and tribal libraries to hire librarians. This funding is part of the Professional Education and Employment for Librarians (PEEL) grant the State Library received from the Institute of Museum and Library Services in 2003. The PEEL project was created in direct response to statistics that clearly demonstrate that Montana libraries are under-funded and understaffed, many to the point that their communities are receiving only limited library services.

The 2004 Montana Public Library Annual Report of Statistics shows that 11 of 79 public library directors (14%) have master of library science (MLS) degrees. Of the current 313 FTEs in public libraries, including directors, only 39 (12%) have the advanced degree. According to *Public Libraries in the United States: Fiscal Year 2000* published in July 2002 by the National Center for Education Statistics (NCES), Montana's percentage of total FTE librarians with ALA-MLS degrees working in public libraries was the lowest of any of the 50 states.

OPI, the agency with jurisdiction over Montana's 356 FTE school librarians, does not collect data on how many librarians have an advanced library degree. Montana's school standards do not require that librarians have an MLS. Instead, the standards require that school librarians be endorsed as teachers in elementary or secondary education with a minor in K-12 library science equaling at least 20 semester credits. However, a significant number of Montana schools have requested a lower standard because of difficulties in recruiting qualified personnel to school libraries.

Seven American Indian reservations are located in Montana. Each reservation has a tribal college with a library facility that provides library services to college students and reservation residents. 57% of the directors of these tribal libraries have an ALA-MLS degree.


The lack of professional librarians in Montana libraries is due to two factors. The first is that there are not many ALA-MLS librarians in the state, which PEEL is addressing through scholarships for Montanans to attend graduate library school. The second factor is that there are limited local resources to fund professional positions.

Montana public libraries are among the most poorly funded, ranking 42nd among the states in the amount of local funding for public libraries (NCES publication cited above). School districts in Montana also suffer from limited funds, ranking 30th among the country in per capita state and local government expenditures (U.S. Bureau of the Census, Government Division's "State and Local Government Finances: 1998-99"). Montana's tribal colleges are funded primarily through federal monies distributed by the Tribally Controlled College or University Assistance Act (TCCUAA) and administered by the Bureau of Indian Affairs. The amount spent per student is over \$2,000 lower than the average spent by university systems in seven peer states.

"We know it is difficult for some of Montana's libraries to hire a professional-level librarian," said Darlene Staffeldt, State Librarian. "The PEEL stipend will help make it possible for a library to recruit qualified librarians and to demonstrate to clients and funders what amazing things can be accomplished with more library staff. PEEL presents a great opportunity for some of our libraries that are not adequately funded."

The PEEL Stipend for Libraries Program is an attempt to help two libraries add professional staff. All public, school (public K-12), and tribal libraries are eligible to apply for the stipends, which are for a maximum of \$30,000 each. Libraries receiving the stipend are required to provide a cash match for half of the cost of the two-year position and to make every effort to continue the position following the grant period. Application deadline is December 15, 2005.

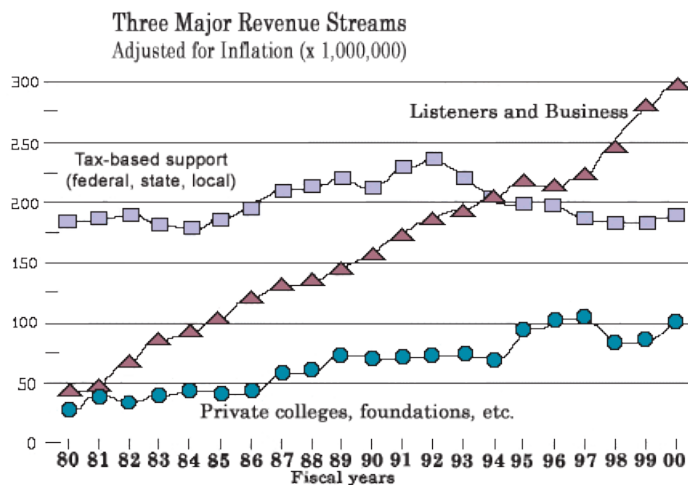
Details and application materials for the PEEL Stipend for Libraries Program are available at <http://msl.mt.gov/greatcareer/stipendapp05.pdf>.

For details about the stipend, contact Sue Jackson at the Montana State Library at 1-800-338-5087 or sujackson@mt.gov. 

Libraries Like NPR *continued from page 1*

So they got busy and started developing alternative funding sources. They developed annual membership campaigns (pledge drives), on-air fund raising, direct in mail solicitations, and even telemarketing to convince hundreds of thousands of listeners to pay money to help support programming they could get for free. Contribution rates vary across stations, but on average 20% of a station's core audience are now contributing 'members' who give an average of \$73.44 per year (Corporation for Public Broadcasting). They went after corporations, associations, and others to underwrite program development and sponsor on-air programming in exchange for carefully controlled 15 second on-air announcements designed to reach the highly desirable public radio audience. Finally, they developed a variety of mail order catalogs, stores, and online retail programs like the Public Radio Music Source (<http://www.prms.org>) that sold high-quality merchandise appealing to public radio listeners.

It took some time, but, as you can see from this CPB Funding Chart (thanks to Tom Thomas of the Station Resources Group), public radio ultimately succeeded in transforming itself from almost complete dependence on tax funding, into a service now largely funded through listener support.

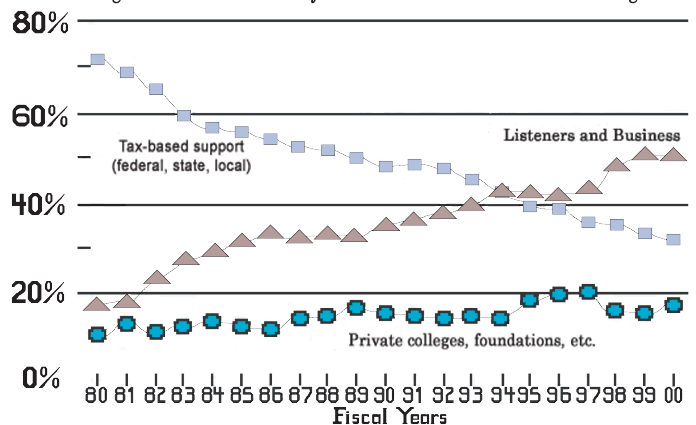


The chart above shows how NPR funding from listeners and business has skyrocketed in the last 20 years, without substantially affecting tax based support.

In 1980, taxes accounted for almost 75% of public radio revenues, and less than 20% of the budget came from listeners. By 2000, listener and sponsor support had increased to over 50% of the station revenues with numbers continuing to grow. And many stations, such as KUOW, do even better. Only 14% of KUOW's

Changing Roles in the Partnership

Percentage Contribution of Major Sources of Public Radio Funding



The chart above shows how NPR has made itself substantially less dependent on tax-based support, making listeners and business a key part of its financial stability.

revenues now come from taxes – the rest comes from individual memberships (51%), business sponsorships (31%), and retail and other sources (4%). In fact, things now look so good for public radio, that the March 2003 issue of *Time Magazine* ran a feature story called 'National Prosperous Radio' detailing the remarkable growth in both audience and revenue at NPR stations. Best of all, the new 'listener-supported' funding models encourage such success, because every new listener represents another potential contributing member, another 'eyeball' for corporate sponsors, another potential customer for the station's retail operations. Compare that to the attitude in libraries, where most of us live in deathly fear that one of our programs will really succeed, because we know we will just have to carve the money to pay for it out of our already inadequate tax funding.

Moving past public radio, look at the Smithsonian Institution, another service free to its patrons. In 2001 over 25% of its revenue came from memberships, contributions, and retail operations, and only 57% from taxes. Or, take the Walters Art Museum in Baltimore, where over 41% of revenue comes from memberships and contributions, 8% from museum store and café, and only 18% from taxes. Or look at almost any other museum, zoo, botanic garden, nature center, arts center, orchestra, or other civic cultural institution in the country. The vast majority – like public radio – rely on a strategy of 'plural funding,' where they work hard to develop and exploit every potential source of revenue available including

Libraries Like NPR continued on page 9


Libraries Like NPR *continued from page 8*

memberships, sponsorship, and underwriting, and all sorts of entrepreneurial activities, along with taxes. And this is an important point: while each of these institutions has managed to grow and diversify its budget through alternative revenue sources, most continue to rely on tax-funding for some percentage of their revenues. Unlike libraries, however, they no longer depend on the public coffers for over 90% of their revenue, so they have some place to turn when state and local budgets hit the skids.


So why not the library? If public radio can convince listeners to contribute an average of \$73.44 annually, wouldn't many of the millions of readers who use public libraries every year be willing to contribute similar amounts to help support institutions they so clearly value? If public radio can attract millions of dollars in corporate sponsorships based on the 20 million people who tune in every week, wouldn't corporations pay to reach the more than 1.1 billion people who walk through the doors of public libraries every year? If public radio, museums, and other cultural institutions can make money selling food, beverages, and all manner of merchandise and services to their visitors, couldn't public libraries also raise revenues by satisfying the thirsts of their patrons?

Nobody knows the answers to these questions, because nobody has ever tried to fund a library like public radio. But a few of us aim to find out. LSSI and a small group of prominent, forward-thinking library directors have embarked on a project to explore the

potential for public-radio-style fund-raising in libraries. The first phase of the project will focus on researching the potential for an annual membership program in libraries, and the deliverable will be a Business Plan outlining a model annual campaign complete with pro forma cost and income estimates. The second phase will test and refine assumptions developed in the Business Plan by conducting small trial campaigns with a number of participating libraries. Of course the outcome is far from certain. We don't know whether the public will take to 'reader-supported' libraries as they have to 'listener-supported radio.' We are not sure if people will willingly contribute to the library if they believe property taxes have already paid for it. We don't know what type of appeal people will find most convincing. We are uncertain how much people will give or whether it would even cover development expenses. In fact, we know almost nothing about how this type of fundraising might work for us – but then neither did public radio when they first started experimenting with these strategies more than 20 years ago. And just look at them now.

There is no question about one thing, however: we all know that current public library funding models that rely almost exclusively on tax and general fund support are not working very well now, nor have they served us well in the past. And in the long run, the best way to save America's libraries may be to work hard to develop new funding tools and models we can use to help save ourselves. 

If you are interested in further information on the New Library Funding Project, please contact Steve Coffman at stevec@lssi.com.


You are free to copy, distribute, display, make derivative works, or make commercial use of this article, provided you give the original author (Steve Coffman) credit. 

Free Is the Best Price *continued from page 10*

new series stretch just a bit longer, doesn't it literally pay to consider your alternatives?

The State Library staff has marched right up this mountain by experimenting with open source web publishing and content management systems like Drupal (<http://www.drupal.org/>) and Plone (<http://plone.org/>), rather than buying into Vignette or Interwoven. The latter examples are very nice, stable, and supported systems, but our budget couldn't support them, and they have more bells and whistles than we actually need. By necessity, we're investigating

open source institutional repository options like Dspace by a group at MIT (<http://www.Dspace.org>), rather than looking at expensive enterprise solutions, such as Documentum, Inc.

Every library is strapped for cash these days, which means that development and collaborative efforts are not just afterthoughts; they are being considered as seriously and as carefully as any costly purchase. Yes, working collaboratively will cost libraries in time invested and sweat and brainpower, but we have those to spare! 

Free Is the Best Price

By: Tori Orr, Library Services Manager

I mentioned to my cousin the other day that my favorite price was "free" and she laughed, saying that I had spoken like a true Scotswoman. But honestly, bargain seeking is universal, especially when it comes to constantly cash-strapped libraries that often find themselves stealing from Peter to pay Paul just to keep their services current and their collections accessible.

When I was told that funding was the theme for this issue of Big Sky Libraries, I cringed. Funding is a pretty painful topic. Who wants to talk about how much your dreams will cost? It's much more comfortable talking about the future of library services (especially the increasingly digital ones!) without placing a price tag on them. We all

know that libraries provide intellectual or societal benefits to which monetary value cannot always be assigned.

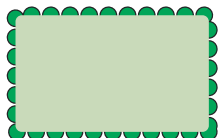
Librarians have had to get creative over the last few years, as we have realized the need and the benefits of resource sharing as a solution to our seemingly permanent funding crisis. And so we have a perfect segue into the open source movement: sharing without reinventing the wheel, participating without building a consortium, contributing our knowledge and donating our skills without expecting any compensation, recognition, or fame of our own.

Take the Wikipedia for example, "...the free-content encyclopedia that anyone can edit." Wikipedia

(http://meta.wikimedia.org/wiki/Trophy_box) is an award winning, comprehensive online reference with detailed coverage of current events and popular culture, clear and simple usability, and an enthusiastic community of contributors. It receives millions of visits each day and has just published its 500,000th article. In fact, you can type in "open source movement" and get articles and references that were updated the day before.

Wikipedia is not a value judgement against traditional encyclopedias like World Book and Britannica, which cost thousands of dollars and are updated yearly; indeed, both resources have their strengths. But if your institution is strapped for cash and trying to make the purchase of a

Free Is the Best Price continued on page 9



1515 East Sixth Avenue
PO Box 201800
Helena MT 59620-1800
Address Service Requested

State Librarian's Office:
Darlene Staffeldt, State Librarian
Kris Schmitz, Central Services Manager
Library Development:
Bob Cooper, Suzanne Reymier, Tracy Cook,
Statewide Technology Librarians
Sue Jackson, Continuing Education Consultant
Montana Library Network (MLN):
Bruce Newell, Montana Library Network Manager
Sarah McHugh, Montana Shared Catalog Director
Montana Talking Book Library (MTBL):
Christie Briggs, Supervisor
Montana State Digital Library (MSDL):
Jim Hill, Administrator
Tori Orr, Library Services Manager
Montana State Library Commission:
Al Randall, Chair
Donald Allen
Carolanne Birtz
Gail Staffanson
Ron Moody
Bruce Morton
Linda McCulloch, Superintendent of Public Instruction
Cheri Bergeron, Alternate for Supt. of Public Instruction
Address: 1515 East Sixth Avenue — PO Box 201800
Helena MT 59620-1800
Phone: 406-444-3115 — **Fax:** 406-444-0266
Toll Free in Montana: 800-338-5087 — **TDD:** 406-444-3005
Montana State Library Home Page: <http://msl.mt.gov>
E-Mail: msl@mt.gov
The Montana State Library does not discriminate on the basis of race, color, national origin, sex, age or disability in employment or the provision of services.
Big Sky Libraries is a quarterly publication of the Montana State Library
Sara Groves, Editor
This publication is available in alternative formats upon request.
990 copies of this newsletter were published at an estimated cost of \$389.80, \$221.95 for printing and \$167.85 for distribution.